GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3790
ANSWERED ON:30.04.2007
INTEREST PAYMENT ON SUGARCANE DUES
Prasad Shri Hari Kewal;Yadav Shri Giridhari

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether there is a provision for payment of 15 per cent interest on sugarcane dues if the same is not paid within the stipulated period of fourteen days;

(b) if so, the details of the cases reported during the last three years wherein payment was not made within the stipulated period;

(c) the number out of these where the requisite interest was not paid despite the delay in payment of sugarcane dues beyond the stipulated period; and

(d) the provisions made for action to be taken against the defaulters for non-payment of the interest?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): Yes, Sir.

(b)&(c): The responsibility for ensuring timely payment of cane price to sugarcane farmers lies with the State Governments, as such, the delay in payment of cane price, if any is reported to the concerned State Governments. The Central Government does not maintain data on payment of interest on delayed payments of cane price.

(d): In November, 2000, the Sugarcane (Control) Order, 1966 was amended providing that where any producer of sugar or his agent defaults in paying the whole or any part of the price of sugarcane to a farmer of sugarcane or a growers` cooperative society within 14 days from the delivery of sugarcane or where there is an agreement in writing between the parties for payment of price within a specified time and any producer or his agent defaults in making payment within the agreed time specified therein, the amount of price of sugarcane and interest due thereon is recoverable from the producer of sugar or his agent as arrears of land revenue.